

IC 36-7-31

Chapter 31. Professional Sports Development Area in a County Containing a Consolidated City

IC 36-7-31-1

Applicability of chapter

Sec. 1. This chapter applies only to a county having a consolidated city.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-2

"Budget agency" defined

Sec. 2. As used in this chapter, "budget agency" means the budget agency established by IC 4-12-1.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-3

"Budget committee" defined

Sec. 3. As used in this chapter, "budget committee" has the meaning set forth in IC 4-12-1-3.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-4

"Capital improvement board" defined

Sec. 4. As used in this chapter, "capital improvement board" refers to the capital improvement board of managers established by IC 36-10-9-3.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-5

"Commission" defined

Sec. 5. As used in this chapter, "commission" refers to the metropolitan development commission acting as the redevelopment commission of a consolidated city.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-6

"Covered taxes" defined

Sec. 6. As used in this chapter, "covered taxes" means the following:

- (1) The state gross retail tax imposed under IC 6-2.5-2-1 or use tax imposed under IC 6-2.5-3-2.
- (2) An adjusted gross income tax imposed under IC 6-3-2-1 on an individual.
- (3) A county option income tax imposed under IC 6-3.5-6.
- (4) A food and beverage tax imposed under IC 6-9.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-7

"Department" defined

Sec. 7. As used in this chapter, "department" refers to the

department of state revenue.
As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-8

"Tax area" defined

Sec. 8. As used in this chapter, "tax area" means a geographic area established by a commission as a professional sports development area under section 14 of this chapter.
As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-9

"Taxpayer" defined

Sec. 9. As used in this chapter, "taxpayer" means a person that is liable for a covered tax.
As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-10

Establishment of area; facilities

Sec. 10. A commission may establish as part of a professional sports development area any facility:

- (1) that is used in the training of a team engaged in professional sporting events; or
- (2) that is:
 - (A) financed in whole or in part by notes or bonds issued by a political subdivision or issued under IC 36-10-9 or IC 36-10-9.1; and
 - (B) used to hold a professional sporting event.

The tax area may include a facility described in this section and any parcel of land on which the facility is located. An area may contain noncontiguous tracts of land within the county.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-11

Establishment of area; time; findings; special taxing district

Sec. 11. (a) A tax area must be initially established before July 1, 1999, according to the procedures set forth for the establishment of an economic development area under IC 36-7-15.1. A tax area may be changed or the terms governing the tax area revised in the same manner as the establishment of the initial tax area.

(b) In establishing the tax area, the commission must make the following findings instead of the findings required for the establishment of economic development areas:

- (1) That a project to be undertaken or that has been undertaken in the tax area is for a facility at which a professional sporting event will be held.
- (2) That the project to be undertaken or that has been undertaken in the tax area will benefit the public health and welfare and will be of public utility and benefit.
- (3) That the project to be undertaken or that has been undertaken in the tax area will protect or increase state and local tax bases and tax revenues.

(c) The tax area established by the commission under this chapter is a special taxing district authorized by the general assembly to enable the county to provide special benefits to taxpayers in the tax area by promoting economic development that is of public use and benefit.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-12

Review of resolution by budget committee

Sec. 12. Upon adoption of a resolution establishing a tax area under section 14 of this chapter, the commission shall submit the resolution to the budget committee for review and recommendation to the budget agency. The budget committee shall meet not later than ten (10) days after receipt of a resolution and shall make a recommendation on the resolution to the budget agency.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-13

Approval of resolution by budget agency

Sec. 13. (a) The budget agency must approve the resolution before covered taxes may be allocated under section 14.

(b) When considering a resolution, the budget committee and the budget agency must make the following findings:

(1) The cost of the facility and facility site specified under the resolution exceeds one hundred thousand dollars (\$100,000).

(2) The project specified in the resolution is economically sound and will benefit the people of Indiana by protecting or increasing state and local tax bases and tax revenues for at least the duration of the tax area established under this chapter.

(3) The political subdivisions effected by the project specified in the resolution have committed significant resources towards completion of the improvement.

(c) Revenues from the tax area may not be allocated until the budget agency approves the resolution.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-14

Resolution; allocation of taxes

Sec. 14. (a) A tax area must be established by resolution. A resolution establishing a tax area must provide for the allocation of covered taxes attributable to a taxable event or covered taxes earned in the tax area to the professional sports development area fund established for the county. The allocation provision must apply to the entire tax area. The resolution must provide that the tax area terminates not later than December 31, 2027.

(b) All of the salary, wages, bonuses, and other compensation that are:

(1) paid during a taxable year to a professional athlete for professional athletic services;

(2) taxable in Indiana; and

(3) earned in the tax area;

shall be allocated to the tax area if the professional athlete is a member

of a team that plays the majority of the professional athletic events that the team plays in Indiana in the tax area.

(c) The total amount of state revenue captured by the tax area may not exceed five million dollars (\$5,000,000) per year for twenty (20) consecutive years.

(d) The resolution establishing the tax area must designate the facility and the facility site for which the tax area is established and covered taxes will be used.

(e) The department may adopt rules under IC 4-22-2 and guidelines to govern the allocation of covered taxes to a tax area.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-15

Notice of adoption of allocation provision

Sec. 15. When the commission adopts an allocation provision, the commission shall notify the department by certified mail of the adoption of the provision and shall include with the notification a complete list of the following:

(1) Employers in the tax area.

(2) Street names and the range of street numbers of each street in the tax area.

The commission shall update the list before July 1 of each year.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-16

Professional sports development area fund

Sec. 16. A professional sports development area fund for the county is established. The fund shall be administered by the department. Money in the fund does not revert to the state general fund at the end of a state fiscal year.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-17

Deposit of taxes in fund

Sec. 17. Covered taxes attributable to a taxing area established under section 14 of this chapter shall be deposited in the professional sports development area fund for the county.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-18

Distributions from fund

Sec. 18. On or before the twentieth day of each month, all amounts held in the professional sports development area fund for the county shall be distributed to the capital improvement board.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-19

Notice of taxes to be distributed to capital improvements board

Sec. 19. The department shall notify the county auditor of the amount of taxes to be distributed to the capital improvement board.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-20

Warrants

Sec. 20. All distributions from the professional sports development area fund for the county shall be made by warrants issued by the auditor of state to the treasurer of state ordering those payments to the capital improvement board.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-21

Uses of money from fund

Sec. 21. The capital improvement board may use money distributed from the fund only to construct and equip a capital improvement that is used for a professional sporting event, including the financing or refinancing of a capital improvement or the payment of lease payments for a capital improvement.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-22

Repayments to fund

Sec. 22. The capital improvement board shall repay to the professional sports development area fund any amount that is distributed to the capital improvement board and used for:

- (1) a purpose that is not described in section 21 of this chapter; or
- (2) a facility or facility site other than the facility and facility site to which covered taxes are designated under the resolution described in section 14 of this chapter.

The department shall distribute the covered taxes repaid to the professional sports development area fund under this section proportionately to the funds and the political subdivisions that would have received the covered taxes if the covered taxes had not been allocated to the tax area under this chapter.

As added by P.L.255-1997(ss), SEC.19.

IC 36-7-31-23

Expiration of chapter

Sec. 23. This chapter expires December 31, 2027.

As added by P.L.255-1997(ss), SEC.19.